



Department of Conservation

Statement of Intent 2010-2013



Department of Conservation
Te Papa Atawhai

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Foreword: Minister of Conservation

We base much of our economy on the use of New Zealand's natural assets; rainfall, wind, landscapes, waterways, coastlines, oceans, animals and plants. Combined, these natural assets make up this country's 'biodiversity'—a term that encompasses all the living things, and the spaces in which they live, be it on land, or in fresh or salty water.

2010 is the United Nations' International Year of Biodiversity, and the Department of Conservation is leading the Government's response; connecting with other agencies and organisations that move in the natural world, and working with them to create opportunities for New Zealanders to ponder, appreciate, and celebrate the value and the richness of the islands we call home.

In recent times, the Department has been particularly looking at the value a healthy environment contributes to New Zealand's economy, and through this, to New Zealanders' prosperity and wellbeing. The natural benefits that ecosystems deliver underpin the economy's resilience. These include insects, which create healthy soils and pollinate crops; forested catchments, which offer natural flood protection and clean fresh water for town supply; and healthy oceans, which provide abundant fish.

Massey University economists have previously calculated that native biodiversity contributed well over twice the value of our gross domestic product (GDP). In today's terms, that is more than \$300 billion. Natural values are also a huge tourism draw card, which play a substantial role in New Zealand's economy. In August 2008, it was estimated that tourism generated NZ\$2 billion—18% of our export earnings; 9.2% of our GDP; and 1 in 10 jobs. What is more, there is real potential for this industry to grow.

Our unique biodiversity features heavily when one considers New Zealand's national icons. The kiwi, silver fern and koru are not just indicators of the health of our ecosystems. Our relationships with these taonga have helped shape who we are as New Zealanders.

The stated purpose of the International Year of Biodiversity is to celebrate life on earth and the value of biodiversity. This is timely given that the rate of loss of biodiversity is estimated to be up to 1000 times higher than the natural rate of extinction. With more than 1000 threatened animal, plant and fungi species in New Zealand today—that we know of—protection and conservation is a complex task; the need to act is becoming increasingly urgent. The International Year of Biodiversity helps raise awareness of the size of the challenge we are confronting, both in New Zealand and in the global context.

This Statement of Intent recognises the links between biodiversity and our social and economic well-being. The central premise is that conservation is an economic and social investment. Accordingly, the performance improvement actions (PIAs) I have set for the Department focus on transforming the approach to commercial opportunities, optimising the approach to maintaining and restoring the diversity of our natural heritage, and increasing participation in tourism and outdoor recreation activities on public conservation lands and waters.

A handwritten signature in blue ink that reads "Kate Wilkinson". The signature is written in a cursive style with a period at the end.

Hon. Kate Wilkinson

Responsible Minister for the Department of Conservation

Statements of responsibility

Ministerial statement of responsibility

I am satisfied that the information on future operating intentions provided by the Department of Conservation in this Statement of Intent is in accordance with sections 38 and 40 of the Public Finance Act 1989, and is consistent with the policies and performance expectations of the Government.



Hon. Kate Wilkinson

Responsible Minister for the Department of Conservation

Director-General's statement of responsibility

In signing this statement, I acknowledge that I am responsible for the information contained in the Statement of Intent for the Department of Conservation. This information has been prepared in accordance with the Public Finance Act 1989. It is also consistent with the proposed appropriations set out in the Appropriations 2009–2010 Estimates Bill, as presented to the House of Representatives in accordance with section 13 of the Public Finance Act 1989, and with existing appropriations and financial authorities.



Alastair Morrison

Director-General



countersigned by

Christeen Mackenzie

Chief Financial Officer

1. Nature and scope of the Department's functions

The Department of Conservation (DOC) is the central government organisation charged with promoting conservation of the natural and historic heritage of New Zealand on behalf of, and for the benefit of, present and future New Zealanders.

The Minister of Conservation is the Responsible Minister, and DOC's work is funded through Vote Conservation.

DOC was established by the Conservation Act 1987, and its key functions are set out in that Act. It also has functions under a number of other Acts, including the National Parks Act 1980, the Marine Reserves Act 1971, the Reserves Act 1977, the Wild Animal Control Act 1977, the Wildlife Act 1953 and the Marine Mammals Protection Act 1978.

DOC interprets and administers the Conservation Act to give effect to the principles of the Treaty of Waitangi in accordance with section 4 of the Act.

Much of DOC's work takes place on the more than 8 million hectares of conservation land, 33 marine reserves (covering almost 1.28 million hectares), and 6 marine mammal sanctuaries¹ that it manages on behalf of New Zealanders. The conservation land makes up about one-third of the country, and includes national parks, high country parks, forest parks, offshore and subantarctic islands, and historic sites.

DOC is responsible for encouraging recreation opportunities on the lands and waters it manages. To that end, it provides and manages historic sites and visitor facilities, including walking, biking and four-wheel-drive tracks, huts, campsites and visitor centres.

DOC works within the statutory concessions framework to authorise tourism operators and other third party activities and uses on public conservation lands and waters. These include grazing, mining and telecommunication sites.

Some of DOC's functions go beyond the boundaries of public conservation lands and waters. It protects marine mammals, indigenous freshwater fisheries, recreational fisheries and freshwater habitats, and is responsible for conserving indigenous wildlife wherever it lives. It advocates generally for the conservation of natural and historic resources, provides conservation information, and promotes the economic, environmental and social benefits of conservation.

DOC supports the Minister of Conservation in exercising her responsibilities under the Resource Management Act 1991 for the coastal and marine environment. This includes providing advice to the Minister, and input into councils' policies, plans and consent applications regarding the coastal and marine environment.

The National Office in Wellington provides policy advice to the Minister of Conservation, contributes to whole-of-government policy processes, and provides

¹ As at 31 March 2010.

organisational service and support functions. National Office also services ministerial advisory committees and the New Zealand Conservation Authority.

Fieldwork and conservation outputs are delivered mainly from the network of 49 area offices. The 49 areas are grouped into 12 conservancies, each with a conservancy office to provide support. The conservancies are led and managed by two General Managers Operations: one working from the Northern Regional Office in Hamilton, and the other from the Southern Regional Office in Christchurch.²

As at 31 March 2010, DOC employed 1850.6 permanent full-time equivalent staff and 403.7 temporary full-time equivalent staff.

DOC works across the central government sector, primarily but not exclusively through the natural resources sector group. It works with tangata whenua, landowners, regional and local government, businesses, science providers, recreation, outdoor and conservation organisations, and community groups. Section 3 provides further information on the main organisations and sectors with which DOC works towards the achievement of the intermediate outcomes set out in this Statement of Intent.

² Further information on DOC can be found on its website: www.doc.govt.nz. This includes legislation DOC administers, relevant international conventions, the organisation's structure, location of the offices, etc.

2. Strategic direction— outcomes and impacts

2.1 DOC'S OPERATING ENVIRONMENT

2.1.1 The Government's priorities

The Government's driving goal is to get New Zealand's economy growing in a sustainable fashion, in order to deliver greater prosperity, security and opportunities to all New Zealanders, and ultimately a stronger society for New Zealanders. To achieve this goal, the Government is focused on delivering policies that lift productivity, increase employment and deliver better public services. The Government has identified six drivers of growth. These are: investing in productive infrastructure; removing red tape and improving regulation; supporting business innovation and trade; lifting skills; lifting productivity and improving services in the public sector; and strengthening the tax system.

Within the conservation portfolio, the Minister of Conservation has determined that particular attention should be focused on contributing to the six drivers of growth by increasing tourism, recreation opportunities and revenue generation in ways that balance both conservation and economic goals, so that DOC can deliver meaningful and tangible benefits to New Zealanders.

The Minister's priorities for DOC during 2010–2011 include:

- Establishing a commercial business unit to improve DOC's ability to deliver positive commercial outcomes, including building productive business partnerships that deliver conservation gains, increasing net revenue flows to DOC, and enabling business opportunities consistent with conservation to raise New Zealand's prosperity.
- Continuing development of cycleways. The Central North Island Rail Trail (Pureora Forest Park) and the Mangapurua-Kaiwhakauka (Whanganui National Park) are both due for completion by mid-2011. Two other cycleways—the Ohakune Old Coach Road (Tongariro National Park) and the St James (North Canterbury)—should be completed early in 2010–2011.
- Continuing work with the tourism industry to identify up to 25 areas where there is sufficient demand or potential demand for the areas to be developed as affordable camping sites.
- Advancing the proposal for a Kauri National Park in Waipoua and surrounding kauri forests in Northland, towards a 2011 opening.
- Working with the Ministry for the Environment and the Ministry of Agriculture and Forestry to implement the Government's agreement around iwi afforestation for carbon credits.
- Continuing to identify suitable sites for planting or restoration to earn carbon credits, and implementing public-private carbon farming agreements.

- Working with the Ministry of Economic Development to identify both mineral prospects and conservation values on public conservation lands, as input into a public consultation process to ensure that conservation values and mineral values on public conservation lands are balanced to give maximum possible benefit to New Zealanders.
- Working with the Inland Revenue Department to review the application of tax laws for conservation work on private land, to encourage private conservation efforts by removing disincentives to improved land management.
- Contributing to phase two of reforms to the Resource Management Act by providing options to align concession and resource consent processes where relevant on public conservation lands and waters in accordance with the Government's wider objectives.

The Government is committed to achieving just and durable settlements of all historical Treaty of Waitangi claims by 2014. DOC will continue to contribute to this government priority through working alongside the Office of Treaty Settlements in negotiations with iwi to facilitate settlements.

One of the Government's six drivers of growth is lifting productivity and improving services in the public sector. DOC has three main programmes of work that will contribute towards this by increasing efficiency and effectiveness: the natural heritage management system (NHMS), the destination management framework, and the 'prioritising for the future' programme.

NHMS is progressively improving DOC's ability to identify the natural heritage work that will provide better conservation returns for the available resources. This is achieved by being specific about what to work on, how to work on it, and how to monitor the effectiveness of our management so that the right information feeds back into investment and management decisions. It does this through identifying optimised projects for both species and ecosystem management as rank-ordered lists. These lists rank species and ecosystems according to the best combination of what is most urgent, most unique, most cost-effective, and has the best chance of success. The lists, which include best practice management techniques, will help inform management by both DOC and others wanting to contribute to natural heritage conservation, including businesses, tangata whenua, communities, non-government organisations (NGOs) and landowners. Implementation of the species list within DOC will begin in 2010-2011, and the combined species and ecosystems list will follow in 2011-2012.

The NHMS tools and information will also assist with decisions on where and how best to balance economic development and conservation values by supporting ongoing development of biodiversity offsets.³ They allow for improved consideration of the delivery of ecosystem services (such as freshwater yield and storage, soil stability and fertility, and carbon storage) in natural heritage management.

While the NHMS programme will enhance the cost-effectiveness of natural heritage management, DOC recognises the importance for conservation of supporting others to manage the natural heritage that they value. This support will continue to be one of the means by which DOC delivers benefits to New Zealanders.

³ For further explanation of biodiversity offsets see www.doc.govt.nz/publications/conservation/biodiversity-offsets-programme/.

In a similar way, the destination management framework is being developed to help DOC be more focused in its efforts to grow people’s participation in tourism and outdoor recreation activities on public conservation lands and waters. The key components in getting more people to participate are knowing what people want, providing and promoting experiences that match that demand, and meeting expectations. The framework will focus investment on places that are popular or have the potential to be popular, and thus will provide more benefits to New Zealanders through economic growth from tourism, and increased health and wellbeing for those who participate.

The third efficiency and effectiveness exercise is the ‘prioritising for the future’ programme. DOC has identified areas where it can reduce costs, increase revenue and improve services. The six work streams outlined below are designed to realise these benefits:

- The commercial business unit, as discussed above in relation to the Minister’s priorities and later in relation to intermediate outcome 5 (section 3.5).
- Improving the delivery of support services across business units within DOC.
- Streamlining service delivery by reducing internal administration processes, reducing overheads, and identifying cost-effective channels that reduce costs and improve customer services.
- Improving cost efficiencies around the delivery of information technology services and systems; rationalising applications; and improving time, cost and quality of data collection, and management.
- Improving procurement functions through automation, consolidation and standardisation to achieve economies of scale.
- Streamlining the approach to planning across DOC, including achieving better integration of a range of planning processes required under legislation.

The Minister of Conservation has agreed that DOC’s performance improvement actions (PIAs) for the medium term are establishing the commercial business unit and the associated commercial approach, NHMS, and the destination management framework.

Other government policies and systems that set DOC’s operating environment include the New Zealand Biodiversity Strategy, and MAF Biosecurity New Zealand’s management of biosecurity.

DOC works increasingly as part of the Natural Resource Sector Network (NRSN)⁴ to provide advice to support government decision-making. The NRSN has developed as a response to the complex nature of some natural resource issues and the constraints—ecological, fiscal, political, or the limitations of available science—that are increasingly evident. A broad view is needed in order to understand these issues and to develop effective responses.

The NRSN promotes a considered, coordinated and integrated approach, in order to increase the overall strength and quality of collective policy thinking. DOC will make a sustained and constructive contribution to the NRSN, bringing its expertise and perspectives to the table, with a focus on developing a broader view of the issues, advancing shared NRSN goals, and realising the value to be gained from collaborative effort.

⁴ The natural resource sector departments are the Ministry for the Environment (MfE), the Ministry for Agriculture and Forestry (MAF), the Department of Conservation (DOC), the Ministry of Fisheries (Mfish), Te Puni Kōkiri (TPK), Land Information New Zealand (LINZ), and the Ministry of Economic Development (MED).

2.1.2 The wider context

DOC's context is also set by a statutory planning framework: the Conservation General Policy, the National Parks General Policy, and the strategies and plans that sit below these policies. A series of Conservation Management Strategies (CMSs) identify the places that DOC manages on behalf of New Zealanders, and establish 'outcomes at places' and high-level objectives that provide guidance for the management of public conservation lands and waters.

The wider environment creates both opportunities and challenges. The Government's accounts are in deficit and are not expected to return to surplus until 2016, with government debt levels expected to increase substantially over several years. DOC, in common with the rest of the public sector, faces the challenges of delivering better, smarter public services within current resources, managing public expectations as to what it should deliver, and continuing to improve its ability to recruit, retain and develop staff.

DOC's response is the ongoing development of the efficiency and effectiveness initiatives outlined above in section 2.1.1 (NHMS, the destination management framework, and the six 'prioritising for the future' work streams).

Native plants, animals and ecosystems continue to decline, and human demand continues to place pressure on natural resources and the ability of ecosystems to continue to deliver ecosystem services. Climate change will exacerbate these issues.

DOC's response is to work more effectively with what it has, and to be proactive in collaborating with others. This includes building on the increasing public interest in conservation and willingness to do conservation work, and building on the markets that are emerging around the '100% pure, clean and green' brand and carbon offsets.

There are now signs of economic stabilisation internationally and nationally, although the durability and the rate of the economic recovery remain uncertain. DOC continues to progress initiatives to contribute to New Zealand's economic prosperity, particularly in response to the Government's priorities, as outlined above in section 2.1.1.

Treaty of Waitangi settlements are changing the governance and management of some conservation areas. The practical implications of these agreements will be worked through as settlements are implemented. DOC sees both challenges and opportunities in the settlement process, including opportunities for more joint work with iwi and hapū to achieve conservation outcomes.

Demographic forecasts indicate challenges and opportunities, both for staff recruitment and retention, and for the ways in which DOC interacts with New Zealanders, who are becoming increasingly diverse and urban. Section 3 'Operating intentions' and section 5 'Organisational health and capability' discuss work that is underway to respond to these issues.

The operating environment is also influenced by unpredictable and/or unmanageable events (such as fire, adverse weather, biosecurity incursions and volcanic eruptions), which could compromise natural heritage, or the ability to deliver recreation and other outdoor opportunities.

2.1.3 Underlying drivers for DOC's work

Underlying all of DOC's work is the understanding that conservation is not done by DOC alone. Individuals, communities, tangata whenua, businesses, NGOs, landowners and councils all work for conservation outcomes, sometimes jointly, and sometimes with DOC. Not only is this the reality, it is also essential, as much of New Zealand's threatened biodiversity is outside public conservation lands and waters, and the conservation task is much bigger than DOC alone can manage. This means that working with others, relationship building, sharing skills and knowledge, involving others, and listening to others are integral to all of DOC's work.

As a public service department, it is also clear that DOC aims in all of its work to ensure that the Minister and the Government of the day are well served, and to serve New Zealanders as citizens and taxpayers.

Another key driver for DOC is the obligation to give effect to the principles of the Treaty of Waitangi in its work. DOC's responsibilities for stewardship of many aspects of the natural world and many historic sites make it essential that DOC operates in ways that assist tangata whenua to exercise their cultural relationship with their natural and historic heritage. This means engaging with tangata whenua to protect Māori cultural values. It includes supporting Māori communities to fulfil their customary duty as kaitiaki of taonga, and encouraging their participation in conservation delivery and support for conservation.

Organisational capability lies at the foundation of all of DOC's work. This means quality leadership, skilled and motivated people, quality organisational culture, quality relationships, quality information and communications systems, quality internal management and asset management systems, and appropriate structures. Section 5 'Organisational health and capability' outlines the main current initiatives.

2.2 DOC'S STRATEGIC DIRECTION AND OUTCOMES

2.2.1 Strategic direction

Taking account of its operating environment, DOC has set its strategic direction, which is comprised of the vision, outcome statement, purpose, principles and strategic approaches.

Vision	New Zealand is the greatest living space on Earth.
Outcome statement	New Zealanders gain environmental, social and economic benefits from healthy functioning ecosystems, from recreation opportunities, and from living our history.
Purpose	To sustain and enhance ecosystems, and connect people to the source of their wellbeing, prosperity and sense of identity.
Principles (behaviours)	<p>Build rapport:</p> <ul style="list-style-type: none"> ▪ We understand others' needs and points of view. ▪ We build relationships based on trust. ▪ We work with others to achieve mutual success. <p>Be agile:</p> <ul style="list-style-type: none"> ▪ We look ahead and are prepared. ▪ We respond to changing needs and find solutions. ▪ We adapt and improve. <p>Innovate:</p> <ul style="list-style-type: none"> ▪ We find and act on opportunities. ▪ We are groundbreaking. ▪ We develop new solutions to old problems. <p>Be credible:</p> <ul style="list-style-type: none"> ▪ We are connected, and add value and worth. ▪ We are reliable, do the hard yards and walk the talk. ▪ We inspire confidence.
Strategic approaches	<p>Achieving increasing conservation results:</p> <ul style="list-style-type: none"> ▪ Through promoting and demonstrating the value of conservation, and its links to New Zealanders' prosperity and wellbeing. ▪ Through collaborating, and developing and sharing knowledge, tools and techniques. ▪ Through working to nationwide priorities, and responding to community and iwi values. ▪ Through working proactively with the business sector.

2.2.2 The outcome statement

New Zealanders gain environmental, social and economic benefits from healthy functioning ecosystems, from recreation opportunities, and from living our history.

The outcome statement expresses the value that conservation as a whole delivers to New Zealanders and to the vision for New Zealand's future. The work of DOC is a major contribution to this outcome, both through what DOC does and through what DOC supports others in doing.

It is increasingly clear that managing towards healthy natural ecosystems will deliver the life-sustaining ecosystem services that are essential for wellbeing, are at the base of New Zealand's economy, and determine New Zealanders' prosperity. These are services such as freshwater yield and storage, soil fertility and stability, and carbon storage. Sound management of natural resources also contributes strongly to tourism, New Zealand's largest single foreign exchange earner—the destinations for both domestic and international visitors are primarily around public conservation lands and waters. The businesses that support and complement tourism are major contributors to regional economies and local communities.

In its totality, conservation plays a critical role in supporting the '100% pure, clean and green' brand that is the market advantage on which New Zealand's producers and society rely.

Sound management of natural and historic resources preserves these resources for their own inherent value and for the benefit of current and future generations. Natural and historic heritage form key components of New Zealanders' identity and connections with places, as well as providing experiences that enrich lives.

Providing recreation and other visitor opportunities contributes to the tourism industry, and creates physical, mental and spiritual benefits, helps to improve health and wellbeing, and creates a sense of achievement.

DOC's work creates opportunities for Māori, as tangata whenua, to exercise kaitiakitanga with respect to natural and cultural heritage, and to maintain and revitalise cultural practices.

These combined benefits enhance the prosperity and wellbeing of individual New Zealanders and their families, and contribute to the viability and resilience of local communities, and to New Zealand's international reputation.

Measuring progress towards the outcome

DOC tracks progress towards this outcome through the following monitoring.

Tracking changes in native vegetation cover across New Zealand as a whole, by environment type and level of protection

This indicator provides a measure of the ‘healthy functioning ecosystems’ aspect of the outcome. It uses both the Land Environments of New Zealand (LENZ) database and the Land Cover Database (LCDB), combining maps of the different types of environment in New Zealand with interpretations of land cover types (for example, forest, shrub and pasture) derived from satellite imagery.

This indicator was reported on for the first time in the Annual Report for the year ended 30 June 2006. The next report was due in 2009, but was not able to be made because the third iteration of the LCDB was not yet available. The Ministry for the Environment is leading the process for the development of the LCDB3. The next report on this indicator will be made once LCDB3 becomes available and at 5-yearly intervals thereafter.

Tracking trends in the benefits New Zealanders seek and receive from the natural, historic and cultural heritage managed by DOC

This indicator uses a telephone survey to assess the connections New Zealanders make between conservation and benefits. It was first reported on in the Annual Report for the year ended 30 June 2006, and was reported on again in 2008. The next report is due in 2011.

The desired trend is that over time New Zealanders will cite a wider range of benefits, and that the proportions citing economic and social benefits will increase. Between 2006 and 2008, the main benefits identified remained relatively unchanged: ‘to protect New Zealand’s clean green image’ (identified by around 60% in both surveys), and ‘to protect and preserve the natural environment for future generations/for children’ (around 50% in both surveys). Two new benefits were mentioned in 2008: ‘protecting our economy/economic wellbeing’ (6%), and ‘free access to conservation land, the ability to enjoy free activities and/or natural activities’ (4%).

Tracking the relative value of conservation as an indicator of support for conservation

This indicator has been developed from the 2006–2007 values survey and a conservation values monitor trial, reported on in the Annual Report for the year ended 30 June 2008. The indicator will be further developed as a repeatable survey to track changes over time. The next report is due in 2010.

The results to date suggest that New Zealanders attribute high value to conservation. In both 2006 and 2008, around 80% of those surveyed considered conservation as ‘extremely important’ or ‘very important’ to them. The most highly valued outcomes in both surveys were ‘preserv[ing] natural land and water habitats’, ‘protect[ing] national parks and nature reserves’, and ‘protect[ing] native plants and animals’.

2.2.3 Impacts and intermediate outcomes

DOC works towards the outcome statement through six intermediate outcomes that express the impacts DOC seeks to make through its interventions. These are:

1. The diversity of our natural heritage is maintained and restored.
2. Our history is protected and brought to life.
3. More people participate in recreation.
4. More people engage with conservation and value its benefits.
5. More business opportunities delivering increased economic prosperity and conservation gain.
6. Statutory obligations and other government functions are met.

Although each of the intermediate outcomes has a specific focus, they are not mutually exclusive. For example, conserving natural heritage provides opportunities for recreation and for businesses, which all helps to increase engagement. Each intermediate outcome has a range of outputs that relate to delivery in the field—the work that gets done each year to achieve each intermediate outcome. All outputs are aligned to one or more intermediate outcomes.

Figure 1 sets out DOC's outcome model, showing how the underlying drivers and strategic approaches infuse all of DOC's work towards the intermediate outcomes, which in turn contribute towards the outcome statement and ultimately DOC's vision for New Zealand.

The relationships between the intermediate outcomes and the output classes and output groups and measures are outlined in section 3 'Operating intentions'.

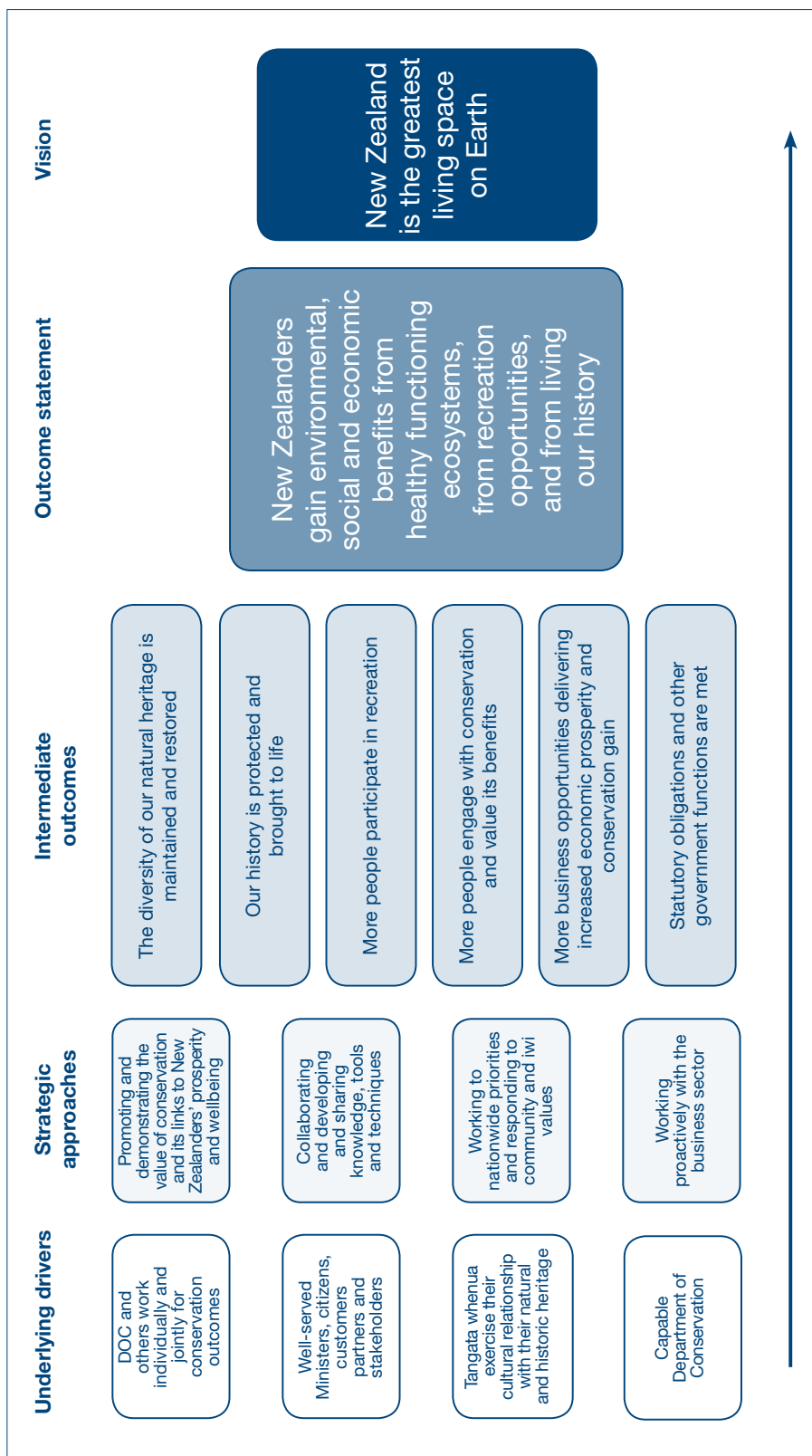


Figure 1. The Department of Conservation outcome model.

3. Operating intentions

3.1 NATURAL HERITAGE

Intermediate outcome 1

The diversity of our natural heritage is maintained and restored⁵

What we are seeking to achieve and why

All of this work addresses the ongoing depletion of New Zealand's natural heritage, and contributes to the New Zealand Biodiversity Strategy. It delivers benefits as outlined in section 2.2.2. There are six areas of focus for this work, as listed below:

- *Conserving a full range of New Zealand's ecosystems to a healthy functioning state.*

Ecosystems work aims to protect a full range of biodiversity values. It includes terrestrial, freshwater and marine ecosystems, both private and publicly owned.

The desired state for these ecosystems is that the native species, the non-living parts such as sunlight, temperature and water, and the natural processes such as nutrient cycling all function together in sustainable communities, habitats and landscapes.

- *Conserving nationally threatened species to ensure their persistence.*

This work aims for security from extinction and the longer-term recovery of as many species as possible. The focus is on species that naturally occur in New Zealand, including species that have been self-introduced, but not those introduced by humans. Species are conserved for their contribution to biodiversity and for their role in indigenous ecosystems.

Retention of all species would ideally occur under the wider ecosystem-based work. A specific focus on threatened species is, however, necessary because some threatened species require management at sites not targeted for ecosystem management, and techniques are not yet sufficiently developed to ensure effective threatened species conservation as part of ecosystem management.

- *Improving nationally iconic ecosystems, landforms and landscapes.*

In addition to the ecosystems that are prioritised for their biodiversity values, there is a small number of ecosystems, landforms and landscapes that are recognised and valued by most New Zealanders, and can be described as national icons.

- *Improving populations of nationally iconic species.*

In addition to the nationally threatened species, there is a small number of species that most New Zealanders would recognise as iconic. The purpose of this work is to support populations of species that fall into this category, which is over and above what would be required to ensure the persistence of nationally threatened species.

⁵ This single natural heritage intermediate outcome replaces the three natural heritage intermediate outcomes presented in the Statement of Intent 2009-2012. The three intermediate outcomes were: 'Examples of the full range of ecosystems are secured, and their health and functioning is improved', 'Irreversible decline of ecosystems on public conservation lands and waters is prevented', and 'The security and recovery of New Zealand species most at risk of extinction is improved'.

- *Improving locally treasured natural heritage.*

Working alongside communities to improve the condition of locally treasured natural heritage is an important contribution to natural heritage management. The focus here is on projects at local scales (e.g. work on species that are taonga for local tangata whenua, a local restoration project, or a reintroduction of individuals of a species to a new local site).

- *Holding public conservation lands, waters and species for the benefits they deliver now and for the future.*

The focus here is on the areas of public conservation lands and waters that do not fall within any of the above areas of focus, and are therefore managed less intensively. Even at this lower level of management, natural heritage is protected and benefits are delivered to New Zealanders, particularly in the form of ecosystem services (e.g. freshwater yield and storage, soil stability and fertility, and carbon storage). The ongoing protected status of these public conservation lands and waters means they remain available to benefit future generations.

How we will demonstrate our success

It is much more challenging to measure the difference DOC makes than to measure the outputs produced. As part of the natural heritage management system (NHMS), DOC is working towards improving its ability to measure and report on the impacts of its management, including cost-effectiveness, and to demonstrate the status of New Zealand's natural heritage and how it is changing.

A suite of indicators has been identified to assess performance in relation to ecosystems and species. These indicators apply across terrestrial, freshwater and marine ecosystems and species. Some of these indicators are under development or being piloted, whereas others are already in use. Further development of supporting systems such as the biodiversity inventory and national monitoring framework will permit improvement of the suite of indicators used to assess performance. DOC's annual reports will report on progress with development of these indicators and on the monitoring results to demonstrate the impacts of DOC's management.

INDICATORS FOR ECOSYSTEMS

Ecosystems processes

Progress is monitored through three indicators:

- *Productivity*—measured by mast flowering (occasional heavy flowering, resulting in more fruit and more predators) and fruit production. This indicator and the following one are new, and measurement methodologies are under development.
- *Ecosystem disruption*—measured by the number, extent and control of fires.
- *Land cover*—measured as the area of land under indigenous vegetation. Reporting against this indicator is supported by updates of the Land Cover Database (LCDB), as outlined in section 2.2.2. A report was due in 2009 but was not able to be provided because the third iteration of the LCDB was not yet available. Comparative maps will demonstrate the change over time.

Reducing the spread and dominance of invasive exotics

- *Exotic weed and pest dominance*—this indicator is measured by the distribution and abundance of selected exotic weeds and pests considered a threat. Development of the methodology for this indicator has been part of a 3-year work programme with Landcare Research. It is due to be reported on in 2011.

Maintaining or restoring ecosystem composition

- *Composition*—this indicator is measured through trends in:
 - Size-class structure of selected canopy dominants. Development of the methodology to measure this trend and the next two has been part of a 3-year work programme with Landcare Research. They are due to be reported on in 2011.
 - Representation of plant functional types, such as aquatic plants and palatable plants.
 - Demography of selected widespread animal species, including fish and invertebrates.
 - Extent of potential range occupied by indigenous species of particular interest. Reporting against this trend is dependent on the completion of species maps that are currently under development.

Improving ecosystem representation

- *Environmental representation and protected status*—this indicator is measured through trends in:
 - Proportion of environmental unit under indigenous cover.
 - Proportion of environmental unit under indigenous cover and protected.
 - National change in extent and integrity of threatened naturally uncommon and significantly reduced habitats.
 - Proportion of threatened naturally uncommon and significantly reduced habitats protected.
 - Proportion of environmental unit in marine protected sites.

Measurement of these trends builds on previous indicators of trends in the percentage of the most at risk environment types under legal protection. The percentage of lowland forest in protection in 2009 was about 64%. There has been little change in this over the last 5 years. The percentage of wetland areas in protection was reported for the first time in 2008. Of the total of 7000 wetlands mapped nationally, about 63% are protected on land administered by DOC. Further wetlands are protected by other means such as Ngā Whenua Rāhui and Queen Elizabeth II covenants.

INDICATORS FOR SPECIES

Ensuring threatened species persistence

Progress is monitored through three indicators:

- *Extinct species*—measured through trends in the number of indigenous species that are extinct.
- *Status of threatened species*⁶ and *status of at risk species*⁷—measured through trends in:
 - The number of species in each category.
 - The number of species in each category under active management.
 - The demographic response to management at population level for selected species as case studies.

Assessments of the threat status of species are made using the New Zealand Threat Classification System, with the status of all species reviewed over a 3-year cycle. The system methodology was revised in 2008 to improve its utility. The indicators are scheduled to be reported on in June 2011, when the current review cycle is expected to be completed.

What we will do to achieve this

Natural heritage work is focused on maintaining and restoring ecosystem composition and health, and managing for better ecosystem function, preventing species declines and improving populations, and protecting landforms and landscapes.

The contributing activities include reducing fire damage, improving target plant and animal populations, improving natural processes (e.g. habitat restoration), reducing competition from weeds and animal pests, preventing biosecurity threats, and increasing public awareness of protection needs, including through advocacy and law enforcement where necessary. In the marine environment, DOC continues to work with the fishing industry and the Ministry of Fisheries to avoid, remedy or mitigate bycatch of protected marine species.

WORKING WITH OTHERS

Priority ecosystems and native species do not necessarily always occur on public conservation lands and waters. DOC collaborates with others to secure these priority ecosystems and threatened species, using a range of means, including providing training, information and assistance with equipment, and operating shared pest management programmes.

DOC works with local government in its operations, as part of Resource Management Act 1991 planning processes, and to support biodiversity protection on private land. DOC engages with tangata whenua, local government, private land owners, and land care community groups through the delivery of the Ngā Whenua Rāhui, Biodiversity Condition and Advice, and Nature Heritage Funds.

In addition, DOC manages the Terrestrial and Freshwater Biodiversity Information System (TFBIS) in relation to the provision of biodiversity information, data and digital media through a cross-sector steering committee that is comprised of central government agencies, Crown research institutes (CRIs) and local government representatives.

⁶ 'Threatened species' are those likely to become endangered in the foreseeable future. Threatened species have been further classified as 'acutely threatened', 'chronically threatened', and 'at risk'.

⁷ 'At risk species' have either restricted ranges or small, scattered sub-populations, and do not meet the criteria of acutely threatened or chronically threatened. Although not currently in decline, these species could be rapidly depleted by a new threat.

WORK SPECIFIC TO THE SIX AREAS OF FOCUS FOR NATURAL HERITAGE

- *Conserving a full range of New Zealand's ecosystems to a healthy functioning state.*

This work will initially focus on the protection of a range of ecosystem types that are in the best available condition, and either restore or maintain these to a healthy and functioning state. This work is supported by NHMS, as outlined in section 2.1.1, which is continuing to develop datasets and models to assist with assessment and prioritisation of the benefits and costs of managing ecosystems.

In the marine environment, efforts are focused on giving effect to the Marine Protected Areas Policy and Implementation Plan (MPA policy) as a means to feasibly protect examples of coastal ecosystems and habitats. This work is progressed with the Ministry of Fisheries, local authorities, tangata whenua and local communities through regional marine protection planning forums. Ongoing support work includes describing and mapping the marine environment, and classifying coastal ecosystems and habitats. Within marine reserves, a particular focus is on ensuring that the protected status is respected through education and ensuring legal compliance.

- *Conserving nationally threatened species to ensure their persistence.*

DOC will increasingly focus on achieving security and recovery of the greatest number of New Zealand species that are most threatened. This approach is necessary given that over 2000 indigenous species of plants, animals and other life-forms are threatened with extinction.⁸

The species optimisation project identifies the species to be focused on and the best practice management techniques. Persistence plans are ranked in order based on urgency, feasibility, cost and the relative uniqueness of the species. Implementation of the species list within DOC will begin in 2010–2011, and the combined priority species and ecosystems list will follow in 2011–2012.

- *Improving nationally iconic ecosystems, landforms and landscapes.*

Work to identify the nationally iconic places will take place over 2010–2011. This will be done through a combination of staff identifying the work that is in this category, independent input, and an overall assessment of the results culminating in agreed definitions.

- *Improving populations of nationally iconic species.*

Work to identify the nationally iconic species will take place over 2010–2011. This will be done through a combination of staff identifying the work that is in this category, independent input, and an overall assessment of the results culminating in agreed definitions.

- *Improving locally treasured natural heritage.*

This work will be agreed locally, and will be informed by values that are important to local communities, tangata whenua and stakeholders at the local and regional level.

- *Holding public conservation lands, waters and species for the benefits they deliver now and for the future.*

Managing fire, ensuring legislative compliance and undertaking law enforcement are ongoing activities for these areas.

⁸ Hitchmough, R.; Bull, L.; Cromarty, P. (compilers) 2007: New Zealand Threat Classification System lists—2005. Department of Conservation, Wellington. 194 p.

Contributions to the Government's freshwater priority

The Government's freshwater priority is to ensure that:

New Zealand's fresh water is well governed and sustainably managed to realise the maximum benefit possible for present and future environmental, cultural, social and economic values.

DOC contributes through its statutory roles and policy work. DOC has a legislative mandate under Part II of the Conservation Act 1987 to 'preserve so far as practicable all indigenous freshwater fisheries and protect recreational freshwater fisheries and freshwater fish habitats'. In keeping with this mandate, DOC works to retain and improve the environmental values associated with freshwater, and to deliver the ecosystem services provided by freshwater ecosystems. These include retaining the biodiversity of those ecosystems, regulating water quality and quantity, flood control, and delivering recreational and cultural values.

A significant freshwater management initiative is Arawai Kākāriki ('Green Waterway'). This is a national wetland restoration programme coordinated by DOC. The programme began in 2007, and is aimed at working with communities to understand and restore three of New Zealand's most significant wetland/freshwater sites—Whangamarino (Waikato), Ō Tū Wharekai (mid-Canterbury) and Awarua Wetlands (Southland).

A key focus is research to develop best practice management and monitoring tools to share with others. Activities include surveys of water, vegetation, fish and birds. Restoration is carried out with increasing community involvement, and recreation opportunities are being enhanced to promote enjoyment of wetlands.

Freshwater management activities and policy advice are informed by DOC scientific and technical advice, which aims to integrate and advance freshwater work in the following areas:

- Continuing the Waters of National Importance (WONI) work to identify priority sites for management and protection, both on and off public conservation lands and waters.
- Supporting the Government's international obligations under the Convention on Wetlands of International Importance Especially as Waterfowl Habitat (Ramsar Convention).
- Developing advice on approaches to water level and flow setting to inform water allocation, whilst meeting requirements for threatened species and recreational fisheries (salmon, trout).
- Protecting freshwater species and populations, including processes for whitebait management and for threat management and monitoring of threatened native fish and aquatic biota.
- Addressing aquatic biosecurity and pest issues, including advice and tools for pest fish management, and coordinating didymo research and responses.
- Developing a better understanding of the relationships between land-use pressures (e.g. from agriculture, forestry, urban development) and the ecological integrity of freshwater ecosystems, to enable improved protection of biodiversity values in intensively managed landscapes.

- Increasing interaction with freshwater expert networks, regional councils and the wider community.

Current policy work that contributes to the freshwater priority includes the following.

- Contributing to the ‘New start to freshwater’ programme coordinated by the Ministry for the Environment and the Ministry of Agriculture and Forestry. DOC provides technical and policy advice to help establish a sound factual basis for future planning and decision-making.
- Resolving unclear jurisdiction between DOC and the Ministry of Fisheries over freshwater fish species so that interested parties are clear on which government agency is responsible.
- Resolving several management issues around specific freshwater fish species.

HOW WE WILL DEMONSTRATE OUR SUCCESS

Measuring the impact of DOC’s work on freshwater ecosystems will be undertaken as part of wider monitoring of our impact on natural heritage. This is achieved using the suite of indicators developed to apply across terrestrial, freshwater and marine ecosystems and species, as outlined above.

TABLE 1. THE OUTPUT CLASSES AND OUTPUT GROUPS THAT CONTRIBUTE TO INTERMEDIATE OUTCOME 1.

INTERMEDIATE OUTCOME	OUTPUT CLASSES	OUTPUT GROUPS
The diversity of New Zealand’s natural heritage is maintained and restored	Management of Natural Heritage	Pest, weed and fire management Restoration
	Policy Advice, Servicing the Minister and Statutory Bodies, and Statutory Planning	Legal protection Species management Conservation Services Programme RMA advocacy
	Conservation with the Community	Policy advice Servicing the Minister and statutory bodies, and statutory planning International obligations Participation Education and communication

DOC’s performance measures for delivery of these outputs are focused on fire control, restoration, pest and weed control, legal protection, the conservation services programme, and species management.

3.2 HISTORIC HERITAGE

Intermediate outcome 2

Our history is protected and brought to life

What we are seeking to achieve and why

Opportunities will be provided for people to connect to places and stories from New Zealand's past, to know about these, and to value them as part of their national identity, and history will be protected for future generations. All known historic sites on public conservation lands and waters will be protected from avoidable harm from human activity. Sites recognised by DOC or the community as having particular historical significance (key heritage sites) will be actively conserved. Some of these sites, known as Icon sites, will be developed to a higher standard, so they tell an important story of New Zealand identity and provide an outstanding visitor experience. Two examples of Icon sites are Cape Reinga, Northland, and Denniston, on the South Island West Coast.

This work delivers benefits as outlined in section 2.2.2. Conservation of places and stories also contributes to community wellbeing through shared experiences in conserving, visiting and enjoying. Bringing historic heritage to life provides business opportunities, with resulting economic benefits as discussed under intermediate outcome 5.

How we will demonstrate our success

Three interlinked elements describe historic heritage. These are stories (the history of a site), fabric (the physical substance of a site), and culture (how society interacts with a site). The following monitoring picks up on all three elements.

The first two indicators focus on the 664 key heritage sites⁹, including the 20 Icon sites. The second two focus on the 20 Icon sites.

Increase in the number of key heritage sites at which the core history is safeguarded, the values are identified, and these values are communicated

Site heritage assessment reports preserve the stories, identify the values and make the information available to the public. The measure is the number of heritage assessment reports completed and made available to the public on the internet.

This indicator was introduced in 2009–2010. It builds on the previous indicator: 'change in the number of sites for which key history has been safeguarded'. The number of sites was 299 in 2008, and 385 in 2009. The goal was to achieve this for 656 sites by 2010. This goal will remain in place until it is achieved.

Change in the percentage of key heritage sites that are categorised as stable or deteriorating

Each site has an annual maintenance programme and may also have an upgrade work programme, which may extend over several years. A site is assessed as stable when the annual programmed maintenance is completed to standard (as determined by the site objectives) and, where there is an upgrade programme, the entire programme has been completed to standard. In other cases, the site is assessed as deteriorating.

⁹ The number of key heritage sites may vary by a small percentage over time.

This indicator was introduced in 2009–2010. It builds on the previous indicator: ‘change in the percentage of historic assets in “improving”, “stable” and “degrading” categories’. In 2007, 22 sites were assessed as improving, 86 as stable and 548 as degrading. ‘Improving’ is now included in the ‘stable’ category.

Change in visitor numbers at Icon sites in the context of departmental and whole of New Zealand visitor numbers

The assumption is that numbers of visitors will increase over time if an outstanding visitor experience is provided. In recognition that visitor numbers will be impacted by wider trends, especially economic factors, the visitor numbers to Icon sites are given context by reference to wider trends in both international and domestic visitor numbers. This indicator is measured by on-site visitor counting at Icon sites, compared with visitor counting at other departmental sites and wider information from the tourism industry. This indicator was introduced in 2009–2010.

Increase in New Zealanders’ aspiration to visit Icon sites

Measuring aspiration to visit a site complements actual visitor numbers by providing an indication of the extent to which New Zealanders value a site and the history it represents, even if physical, time or financial constraints mean they have not been able to get there. This indicator takes as its baseline the Automobile Association’s (AA’s) ‘101 must-do’s’ survey, which identifies the top 101 places that New Zealanders most aspire to visit. The current ‘101 must-do’s’ list is based on a 2006 survey. Six heritage sites on public conservation lands and waters were voted onto this first list.¹⁰ This indicator was introduced in 2009–2010. It will be measured through a survey at 5-yearly intervals, with the next survey in 2013. The desired trend is that over time there will be an increase in the number of heritage sites on public conservation lands and waters that are voted on to the list.

What we will do to achieve this

DOC encourages New Zealanders to learn about and visit key heritage sites on public conservation lands and waters, and to actively contribute to the conservation and interpretation of heritage.

DOC is working to refine its approach to this area of its business. This includes more fully developing the framework for the Icon sites programme. Another focus is on increasing public access to information about key heritage sites via DOC’s website. An ongoing interactive training programme involving DOC staff and the community provides a very effective way of communicating the value of historic heritage.

DOC will continue to:

- Develop and promote the historic Icon sites, of which there are currently 20.
- Actively conserve a further 644 key heritage sites, by working to record their history, and to have a work programme in place for each, to minimise deterioration and to provide for public enjoyment.

¹⁰ The six sites were Otago rail experience (16), Cape Reinga (30), Arrowtown Chinese settlement (44), Karangahake Gorge (51), the Bridge to Nowhere (64), and Devonport and North Head (89). For further information on the AA’s ‘101 must-do’s’, see www.aatravel.co.nz/101/index.php.

- Protect all other known historic sites on public conservation lands and waters (approximately 12 000 sites). This is assisted by ongoing development of staff capability to identify historic sites when they are planning work such as track development and plantings.
- Complement the work of others, including the Ministry for Culture and Heritage, local authorities and the New Zealand Historic Places Trust.

TABLE 2. THE OUTPUT CLASSES AND OUTPUT GROUPS THAT CONTRIBUTE TO INTERMEDIATE OUTCOME 2.

INTERMEDIATE OUTCOME	OUTPUT CLASSES	OUTPUT GROUPS
Our history is protected and brought to life	Management of Historic Heritage	Historic site management RMA advocacy
	Management of Recreational Opportunities	International obligations Policy advice
	Policy Advice, Servicing the Minister and Statutory Bodies, and Statutory Planning	Servicing the Minister and statutory bodies, and statutory planning Participation
	Conservation with the Community	Education and communication

DOC's performance measures for delivery of these outputs are focused on active management of heritage sites (measures of remedial work, regular maintenance and heritage assessment reports).

3.3 RECREATION

Intermediate outcome 3

More people participate in recreation

What we are seeking to achieve and why

New Zealanders and international visitors will be able to enjoy nature-based outdoor activities on public conservation lands and waters through a range of opportunities for activities such as sightseeing, walking, hunting, diving, tramping, mountain biking, camping, driving and picnicking. The aim is to get more people participating through providing enjoyable experiences that lead people to visit more often, and to provide experiences that encourage new people to begin to enjoy the outdoors. To cater for different visitor needs, destinations will be managed as one of the types outlined below:

- 'Icons' that underpin the New Zealand tourism product.
- 'Gateways' that encourage people to start recreating in the outdoors, and learn about conservation.
- 'Locally treasured places' that support regional outdoor recreation needs.
- 'Backcountry networks' that provide challenging adventures in natural settings.

There continue to be opportunities for people to hunt, tramp and wander on public conservation lands, even where there are few or no facilities.

Providing recreation opportunities delivers benefits to New Zealanders as outlined in section 2.2.2. These include the employment and revenue that flow into communities from recreation concessions and the business opportunities they create. Nature-based outdoor recreation contributes towards the Sport and Recreation New Zealand (SPARC) Outdoor Recreation Strategy 2009–15¹¹, the vision of which is: ‘New Zealanders participate regularly in outdoor recreation because they understand and value its contribution to their quality of life’. Outdoor recreation also contributes to the New Zealand Health Strategy’s¹² population health objective of increasing the level of physical activity and reducing obesity.

How we will demonstrate our success

There are three indicators to monitor progress towards the intermediate outcome.

Change over time in New Zealanders’ awareness of DOC as a recreation provider

If people are aware that DOC provides recreation opportunities, the assumption is that they are also aware that they can recreate on public conservation lands and waters, should they wish to. This is measured annually through a telephone survey that measures both unprompted and prompted awareness of DOC’s various functions. This will be reported on for the first time for the year ended 30 June 2010.

Change over time in New Zealanders’ participation in recreation on public conservation lands and waters

This indicator is developed from the participation aspect of the previous recreation indicator. Participation measures the uptake of recreation opportunities. The number of people taking part, and especially the trends over time, indicate the relevance of the available opportunities. The results are expressed as an estimate of the proportion of New Zealanders who have visited any place on public conservation lands and waters in the previous 12 months. This is measured annually through a telephone survey, and will be reported for the first time for the year ended 30 June 2010. The most recent results for the previous participation and satisfaction indicator (2008) showed that 40% of New Zealanders aged over 15 had visited an area managed by DOC. The desired trend is an increase over time.

Change over time in New Zealanders’ satisfaction with the quality of recreation opportunities provided

This indicator is developed from the satisfaction aspect of the previous recreation indicator. It is measured annually through a telephone survey that asks people who have visited public conservation lands and waters about their satisfaction with the facilities and services provided at the last visited location. The degree of reported satisfaction indicates whether the level of infrastructure and services enables a good or satisfying experience. This indicator will be reported for the first time for the year ended 30 June 2010. The most recent results for the previous participation and satisfaction indicator (2008) showed that 84% of visitors were either ‘satisfied’ or ‘very satisfied’. The desired trend is to increase visitor satisfaction over time.

¹¹ www.sparc.org.nz/about-sparc/about-us/reports/outdoor-recreation-strategy-2009-15

¹² Ministry of Health 2000: New Zealand Health Strategy. Ministry of Health Manatū Hauora, Wellington. Pp. 9–12. Available on website: www.moh.govt.nz.

What we will do to achieve this

Over the past year, DOC has been revisiting its approach to recreation to take account of the changing operating environment, including the substantial growth in international visitors, changing population demographics, and the increasing role of the private sector in the provision of recreation infrastructure and services. During 2010–2011, work will continue on this ‘destination management framework’, to develop approaches to respond to these changed circumstances, with the aim of increasing participation by New Zealanders and international visitors through providing appealing experiences and meeting visitor expectations.

Partnering with and complementing others in providing recreation facilities is a key approach, and continuing to foster DOC’s relationships with the tourism sector is critical. Other aspects are developing a better understanding of visitor demand and the expectations of communities and businesses. This helps to inform decisions about the optimal mix and quality of opportunities.

Particular initiatives underway are:

- Working with the tourism industry to identify areas for affordable camping sites, as outlined in section 2.1.1.
- Developing and promoting four new cycleways, as outlined in section 2.1.1.
- Continuing development of the multi-day walks at Cape Reinga, in the Waipoua Forest (the ‘Big Trees Experience’), on Great Barrier Island (Aotea Island) (‘Kauri to Coast’) and the Tarawera Trail, near Rotorua
- Advancing the proposed Kauri National Park centred around Northland’s Waipoua Forest, north of Dargaville, towards a 2011 opening. The new national park will add to the recreation and tourism opportunities available on public conservation land that is closer to the most populous part of the country.

TABLE 3. THE OUTPUT CLASSES AND OUTPUT GROUPS THAT CONTRIBUTE TO INTERMEDIATE OUTCOME 3.

INTERMEDIATE OUTCOME	OUTPUT CLASSES	OUTPUT GROUPS
More people participate in recreation	Management of Recreational Opportunities	Recreation management
	Recreational Opportunities Review	Recreation opportunities management—recreation concessions
	Policy Advice, Servicing the Minister and Statutory Bodies, and Statutory Planning	Policy advice
	Conservation with the Community	Servicing the Minister and statutory bodies, and statutory planning
		Participation
		Education and communication

DOC’s performance measures for delivery of these outputs are focused on information provision (measures of publications), and on management of visitor facilities (measures of huts, tracks and structures that meet required standards).

3.4 ENGAGEMENT

Intermediate outcome 4

More people engage with conservation and value its benefits

What we are seeking to achieve and why

New Zealanders will engage with conservation in a range of ways, including by learning about conservation and its benefits, experiencing natural and historic heritage, exercising kaitiakitanga, working on conservation projects, and contributing to debates and decisions about conservation issues. As a result, conservation will increasingly be seen as part of New Zealanders’ identity and values, and more people will support conservation and participate in conservation activities.

Engagement delivers benefits as outlined in section 2.2.2. Engagement can also extend opportunities for conservation-based businesses. The combined impact is stronger and more prosperous communities, and better results for natural and historic heritage.

How we will demonstrate our success

There are three indicators to monitor progress towards the intermediate outcome.

Change in New Zealanders’ understanding of important conservation issues

The impact of DOC’s efforts to increase awareness of conservation is tracked through quantitative surveys that show trends from year to year. This indicator was reported on for the first time in the Annual Report for the year ended 30 June 2006, and is reported on annually. Figure 2 below provides an overview of the results for the past 3 years.

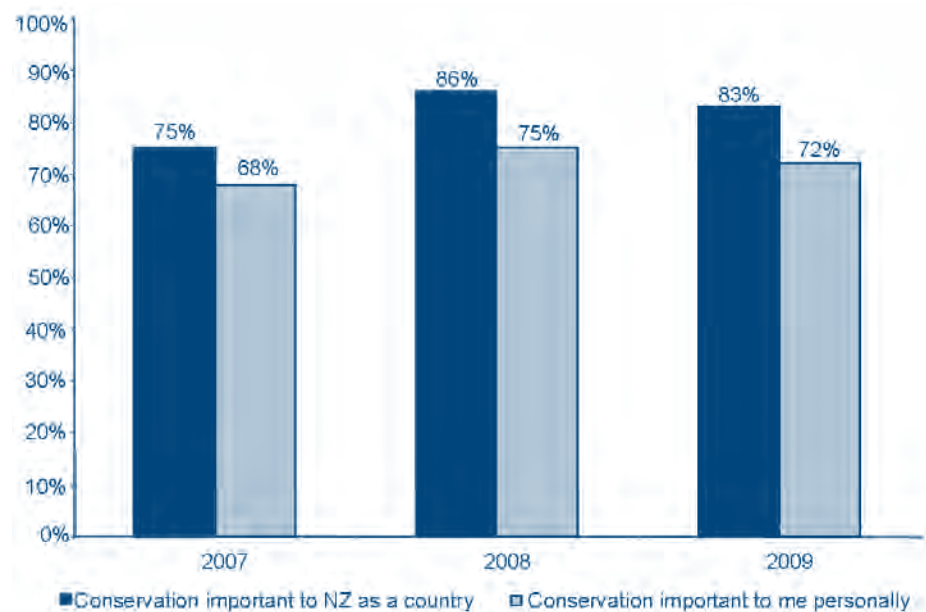


Figure 2. Percentage of people who believe conservation is important or very important.

Change in the quality of DOC's engagement with key associates

This indicator uses surveys to seek feedback. It was reported on for the first time in the Annual Report for the year ended 30 June 2006, and is reported on annually.

In 2009, this indicator was measured through in-depth interviews with senior staff of 36 key stakeholder organisations. Most stakeholders interviewed believed that DOC has significantly improved the quality of its engagement over the last 3–5 years. Many stakeholders believe that improvements must continue to be made for DOC to be aligned with its strategic direction.

Change in the satisfaction of tangata whenua with DOC's activities to assist them to maintain their cultural relationships with taonga

This indicator uses surveys to seek feedback. It was reported on for the first time in the Annual Report for the year ended 30 June 2006, and is reported on annually.

The percentage of respondents reporting that they are 'very satisfied', 'more than satisfied' or 'satisfied' has been in the range of 71% to 88% over the 4 years from 2006 to 2010. The desired trend is for increased satisfaction levels.

What we will do to achieve this

DOC will continue to improve its ability to inform and target efforts to engage New Zealanders with conservation, and to enhance the current set of indicators. A particular focus is on creating an education strategy to develop a conservation disposition and capability in the large majority of New Zealanders. People aged 5–20 are the primary focus, as future recreationalists, future businesspeople, and the pool from which New Zealand's future leaders will be drawn.

Work will continue to:

- Provide opportunities to learn about and get actively involved in conservation.
- Promote the full range of values and benefits of conservation.
- Undertake international representation and advocacy.
- Collaborate with others for shared conservation gains.
- Provide effective support for people and organisations doing conservation work.

TABLE 4. THE OUTPUT CLASSES AND OUTPUT GROUPS THAT CONTRIBUTE TO INTERMEDIATE OUTCOME 4.

INTERMEDIATE OUTCOME	OUTPUT CLASSES	OUTPUT GROUPS
More people engage with conservation and value its benefits	Conservation with the Community Policy Advice, Servicing the Minister and Statutory Bodies, and Statutory Planning	Participation Education and communication International obligations Policy advice Servicing the Minister and statutory bodies, and statutory planning

DOC's performance measures for delivery of these outputs are focused on promotion activities (measured through numbers of education and communication initiatives, and participants' responses to these), and on collaboration and participation (measured through volunteer participation, partnerships and partners' responses to working with DOC).

3.5 BUSINESS OPPORTUNITIES

Intermediate outcome 5 More business opportunities delivering increased economic prosperity and conservation gain

What we are seeking to achieve and why

Businesses and DOC will be able to operate together in ways that deliver environmental, social and economic benefits to New Zealanders.

These benefits include the employment and revenue that flow into communities, and the revenue, carbon credits and branding benefits that businesses receive. Net revenue to the Crown and DOC will be increased, and DOC will contribute to the increased prosperity of New Zealand through wise use of conservation assets.

Additional environmental benefits include the contributions to conservation that come from resources generated by business opportunities, and from wider recognition of the links between conservation and successful businesses, and of the economic value that flows from conservation-based business. A wider range of people will have a stake in conservation. Conservation management will benefit from the different ideas and initiatives likely to come from interactions with the commercial sector.

The focus is on:

- Improving DOC's ability to deliver positive commercial outcomes.
- Building productive business partnerships that deliver conservation gains.
- Increasing net revenue flows.
- Enabling business opportunities that are consistent with conservation to raise New Zealand's prosperity.

How we will demonstrate our success

Relevant indicators will be identified as part of the establishment of the commercial business unit during 2010–2011.

What we will do to achieve this

A major initiative is the establishment of a commercial business unit to focus on building the systems and capability within DOC to deliver on this intermediate outcome. This is a ministerial priority, as outlined in section 2.1.1.

Other ministerial priority work outlined in section 2.1.1 that contributes to this intermediate outcome is as follows:

- Contributing to the Government's review of areas that are currently unavailable for mineral exploration or mining.

- Continuing to identify suitable sites for planting or restoration to earn carbon credits, and to implement public-private carbon farming agreements.
- Implementing the Government's agreement around iwi afforestation for carbon credits.
- Contributing to phase two of the Resource Management Act reforms by developing policy options to align concession and resource consent processes where relevant on public conservation lands and waters in accordance with the Government's wider objectives.

Many of the business opportunities are enabled through concessions granted under the Conservation Act 1987, Part 3B, which allows someone to carry out a trade, occupation or business on areas managed by DOC, or in relation to protected species (e.g. marine mammals). During 2010-2011, DOC will implement the results of its review of the concessions processing system. The objectives are to improve effectiveness and efficiency, in particular through improving the speed of processing, increasing transparency and certainty, and reducing compliance costs for businesses.

DOC is also reviewing all of its regulatory processes, including marine mammal watching permits, access to whale bone and the whitebait regulations, to streamline these.

DOC is working with the minerals industry on a new standard operating procedure to streamline DOC's processing of applications for access to public conservation land for exploration and mining.

In addition, the work to encourage more people to participate in recreation (see section 3.3) is engaging increasingly with the commercial sector to help deliver those experiences.

TABLE 5. THE OUTPUT CLASSES AND OUTPUT GROUPS THAT CONTRIBUTE TO INTERMEDIATE OUTCOME 5.

INTERMEDIATE OUTCOME	OUTPUT CLASSES	OUTPUT GROUPS
More business opportunities delivering increased economic prosperity and conservation gain	Management of Natural Heritage	Pest, weed and fire management Restoration
	Management of Recreational Opportunities	Species management Recreation opportunities management—recreation concessions
	Policy Advice, Servicing the Minister and Statutory Bodies, and Statutory Planning	Recreation opportunities management—other resource use concessions Policy advice
	Conservation with the Community	Servicing the Minister and statutory bodies, and statutory planning Participation Education and communication

DOC's performance measures for delivery of these outputs are focused on management and monitoring of both recreation and other resource use concessions.

3.6 OTHER FUNCTIONS

Intermediate outcome 6

Statutory obligations and other government functions are met

What we are seeking to achieve and why

DOC's core functions have resulted in the development of a regionally distributed agency with strong expertise in areas such as land management. As a result, it is ideally placed to deliver a range of government functions that do not relate to the conservation and enjoyment of New Zealand's heritage. Those functions are assigned to DOC by the Government on a case-by-case basis. For example, DOC is the lead agency for a number of international agreements that serve to improve environmental and biodiversity management in other countries, and carries out rural fire control over 40% of New Zealand's land area to protect all public and private values.

This is part of DOC's role as a public service department, serving the Government of the day, and delivering value to New Zealanders as citizens and taxpayers.

How we will demonstrate our success

Recognition of this aspect of DOC's work as a separate intermediate outcome is new. During 2010–2011, further work will be done to determine relevant indicators of success.

What we will do to achieve this

The work that contributes to this intermediate outcome is generally work that does not contribute to conservation outcomes, but is undertaken by DOC to support the Government's wider objectives. It includes the following:

- Contributing to Treaty of Waitangi settlements, and the Foreshore and Seabed Act 2004 review.
- Controlling fire to meet obligations under the Forest and Rural Fires Act 1977, where there are few or no conservation values to protect.
- Fulfilling obligations under the Reserves Act 1977, where the reserve is a local purpose or government purpose reserve, and not classified for conservation purpose; or the reserve is a recreation reserve, and used for a recreation activity that is not related to the enjoyment of natural and historic heritage. Examples include administration relating to reserves held for purposes such as navigation aids, courthouses, council workshops, public halls, racecourses and sports fields.
- Undertaking fencing activities to meet Fencing Act 1978 obligations, where that activity does not contribute to conservation, or is undertaken to a level that exceeds requirements for conservation.
- Undertaking pest management activities for good neighbour reasons under Regional Pest Management Strategies (RPMS), where that activity does not contribute to conservation (e.g. control of ragwort), or is undertaken to a level that exceeds requirements for conservation.
- Carrying out activities to meet international covenants and treaty obligations, where these activities do not enhance the conservation of New Zealand's heritage. An example is helping the Secretariat of the Pacific Region Environment Programme (SPREP) to be more effective in conserving Pacific Island biodiversity.

TABLE 6. THE OUTPUT CLASSES AND OUTPUT GROUPS THAT CONTRIBUTE TO INTERMEDIATE OUTCOME 6.

INTERMEDIATE OUTCOME	OUTPUT CLASSES	OUTPUT GROUPS
Statutory obligations and other government functions are met	Management of Natural Heritage	Pest, weed and fire management Legal protection
	Regional Pest Management Strategy	International obligations Recreation management
	Management of Recreational Opportunities	Policy advice
	Policy Advice, Servicing the Minister and Statutory Bodies, and Statutory Planning	Servicing the Minister and statutory bodies, and statutory planning
	Conservation with the Community	

DOC's performance measures for delivery of these outputs are focused on regional pest management strategies, fire control and legal protection.

3.7 POLICY ADVICE

DOC contributes to government priorities and the intermediate outcomes through effective policy advice on major initiatives, Treaty of Waitangi settlement negotiations, and advice on proposals for amending legislation and regulations. DOC provides ongoing advice to the Minister of Conservation to support the Minister's coastal responsibilities under the Resource Management Act 1991 and the Foreshore and Seabed Act 2004.

The preceding discussion on each of the intermediate outcomes includes policy initiatives that contribute to these work areas. These include progressing the Minister's priorities on mineral prospecting and phase two of the Resource Management Act reforms, as discussed in section 3.5.

Other work to respond to the Minister's priorities includes implementing the Government's agreement around iwi afforestation for carbon credits, and assisting the Inland Revenue Department in relation to application of tax laws to conservation work on private land, as outlined in section 2.1.1.

Other policy work includes the following:

- Implementing decisions arising from the review of the schedules to the Wildlife Act 1953.
- Contributing to whole-of-government policy processes for natural resources, particularly those relating to freshwater, climate change, bio-prospecting, biosecurity, and review of the Foreshore and Seabed Act.
- Assisting ministerial decisions on the New Zealand Coastal Policy Statement.
- Progressing amendments to marine reserves legislation.

3.8 MINISTERIAL SERVICES, MANAGEMENT PLANNING, AND SERVICING STATUTORY AND MINISTERIAL BODIES

Ministerial services

Providing effective services to the Minister of Conservation includes writing submissions, drafting replies to ministerial correspondence and Parliamentary questions, and responding to ministerial requests for information.

Statutory and ministerially appointed bodies

The New Zealand Conservation Authority (NZCA) and the regional conservation boards are independent bodies established under the Conservation Act 1987¹³.

The NZCA advises the Minister and the Director-General, and approves statements of general policy for national parks, conservation management strategies and plans, and national park management plans.

There are 13 conservation boards, each with a defined geographical area and up to 12 members. The boards are involved in conservation planning, policy and management advice.

DOC provides services to two ministerially appointed advisory committees: Ngā Whenua Rāhui and the Nature Heritage Fund. DOC also services a number of other statutory bodies with local responsibilities, such as the Guardians of Lakes Manapouri, Monowai and Te Anau, the Taupo Fishery Advisory Committee, and the Joint Management Committee established under the Ngāti Awa Claims Settlement Act 2005.

Management planning

DOC prepares, reviews and amends national park management plans, conservation management strategies and conservation management plans before their approval by either a conservation board or the New Zealand Conservation Authority (NZCA). During 2010–2011, guidelines on conservation management strategy development will be revised to ensure a consistent approach to content and simpler, shorter documents. Two conservation management strategies will be recommended for approval and 12 will be progressed on completion of the guideline (some may be combined). Work will continue on five national park management plans and several conservation management plans.

¹³ The NZCA is established under section 6A, and the conservation boards under section 6L.

3.9 COST-EFFECTIVENESS

Work to assess and report on the cost-effectiveness of the interventions DOC delivers began with identifying the main interventions delivered by DOC across its main output classes and linking these with the intermediate outcomes that they support.

In the natural heritage area, the further step has been taken to identify measurable objectives and a suite of indicators, as discussed in section 3.1. These are at various stages of testing and development.

Two final phases are envisaged in the main output classes. The intention is for the most important interventions to be fully costed and, with the help of the monitoring information derived from the indicators, cost-effectiveness ratios will be developed for these interventions over the long term. These ratios will then be available to guide selection of the most cost-effective interventions towards gains in intermediate outcomes. A model of how this works in natural heritage can be seen in the species optimisation project, as discussed in section 3.1.

4. Managing in a changeable operating environment

4.1 EXTERNAL DRIVERS, CURRENT RISKS AND MITIGATION STRATEGIES

An assessment of the main external drivers, the risks and the opportunities they pose, and DOC's response to these is outlined in sections 2.1.1 and 2.1.2.

4.2 CORPORATE GOVERNANCE

DOC's corporate governance structure provides the direction, oversight, and checks and balances necessary to retain high performance, manage risks and maximise opportunities. Key aspects of the governance structure are outlined below:

- The Executive Leadership Team is made up of the Director-General and all eight General Managers. The team meets each month for 1 day, and three times each year the meeting is extended by two additional high-level planning days. The team's purpose is to set strategy and culture, and to provide cohesive leadership for DOC.
- The Risk and Assurance Committee is an independent committee of two external experts, which meets quarterly. It receives reports from the Chief Internal Auditor, and provides advice to the Director-General to help him exercise oversight of the integrity of the financial, operational, internal control, risk management, and legislative compliance systems.
- The Finance Committee is chaired by the General Manager Corporate Services, and includes four other General Managers and the Director, Commercial Business. The Committee is supported by the Chief Financial Officer. The Committee provides advice to the Executive Leadership Team on financial and business issues, such as expenditure, long-term financial plans and strategy, and reporting against performance.
- The Information and Technology Business Committee is chaired by the General Manager Corporate Services, and includes the Director-General, five other General Managers, the Chief Information Officer, the Chief Financial Officer, the Chief Internal Auditor and an external information technology expert. The primary objective is to ensure that information and technology governance is addressed in a structured manner, and to provide the advice necessary for the Executive Leadership Team to make informed decisions on information and technology issues.
- The Sustainability Advisory Group is the governance body for energy-efficient and sustainable business practices. It includes the Director-General, five General Managers and the Chief Financial Officer.

4.3 RISK MANAGEMENT FRAMEWORK

Risk management is part of the accountability of all managers and staff, and is embedded in departmental systems, primarily through the monthly operating reviews held between staff and managers. These reviews are an established management practice, and regularly cover results achieved, and risks encountered and mitigated in programme delivery.

The risk management system built into business planning specifies categories of risk relating to DOC's operating environment. Managers are required to identify potential risks, and assess both the likelihood of the risk materialising and the possible consequences if it does. Risks are managed by selecting the best option, considering the potential cost of the risks involved and the aim of achieving work plan outcomes. Identifying and measuring risks, and developing mitigation options, are also part of the life cycle of any work plan, particularly when there is a major change in circumstances that will affect the work.

Each General Manager runs a risk register for his or her own functional areas, and any critical risks are brought to the monthly meeting of the Executive Leadership Team and, if appropriate, placed on the Executive Leadership Team risk register.

The Legislative Compliance Register identifies key legal risks that would have high consequences and a high likelihood of occurring. General Managers, Conservators, and managers in the Research and Development Group must annually attest through a 'letter of representation' that the key legislative requirements within their areas of accountability have been complied with.

Executive Leadership Team meetings include a joint environmental scan. This focuses both on key issues relating to each General Manager's functional area, and on issues relevant or potentially relevant to DOC overall. A more comprehensive environmental scan is undertaken at the high-level planning days held three times each year.

Health and safety

The nature of DOC's work is inherently hazardous, both in the tasks undertaken and in the locations. To manage these risks, accountability for health and safety is placed with line management. This allows line managers to exercise personal judgement, within a system of consistent procedures and guidelines. Health and safety management is further assisted by monitoring work units against management standards.

5. Organisational health and capability

This section focuses on the main initiatives DOC is taking to strengthen its ability to work towards achievement of the outcome and the six intermediate outcomes. It includes a report on equal employment opportunities. The context is set by the current operating environment and likely changes in the future.

As outlined in section 2.1.1, there are three main programmes of work underway to increase the efficiency and effectiveness of DOC's work: the natural heritage management system (NHMS), the destination management framework, and the six work streams of the 'prioritising for the future' programme. In addition, DOC is establishing a commercial business unit to build the capability and systems DOC needs to transform DOC's approach to commercial operations.

DOC is also focused on building its organisational culture to support conservation achievements over the longer term. The vision developed during 2009—New Zealand is the greatest living space on Earth—provides a focus for this development. Resources are being built to support and enable staff to engage effectively with communities, and to build the style and behaviours necessary to ensure DOC is a credible and relevant player in helping achieve New Zealand's wellbeing and prosperity.

DOC continues to improve natural heritage management by supporting research to provide information, and by developing technology, techniques and processes. There is an ongoing focus on ensuring that financial management systems are fit for purpose and foster continued improvements in efficiency and effectiveness. DOC continues to build internal biosecurity awareness and capability.

5.1 A WELL-COORDINATED NATURAL RESOURCE SECTOR

The Natural Resource Sector Network's (NRSN's) chief executives have identified that a priority area for capability development is in improving the agencies' ability to work together in order to deliver a considered, coordinated and integrated approach to the management of natural resources.

The aim is to support government decision-making with high quality advice that provides an integrated NRSN understanding of key issues. In order to do this, all seven agencies actively participate in the work of the NRSN, adopting a collaborative ethos that focuses on forming a common understanding of strategic issues and delivering on shared goals.

Measures of this commitment to working better together are:

- Each agency contributes to the work that develops a shared understanding of strategic natural resources issues.
- Each agency participates in the training programme on how to apply the 'economy and environment principles'¹⁴ in policy development.
- Each agency contributes to the resourcing of the Natural Resources Sector Secretariat.

¹⁴ The economy and environment principles are a tool to help departments to consider the linkages between the economy and the environment, and to approach natural resource issues in a consistent and integrated way. They are not government policy.

5.2 LEADERSHIP, PEOPLE AND CULTURE

The 'People Strategy 2020' outlines the four areas of focus for organisational culture, leadership and capability. These are:

- Development of a connection culture.
- Development of leaders and leadership capability.
- Development of staff capability.
- Effective operation and improvement of processes and systems to support DOC's people.

Organisational culture development will continue with a focus on developing team-effectiveness, developing strengths, understanding choices around behaviour, and working to eliminate silos. Consistent with the principles that clarify the behaviours DOC expects of its people¹⁵, there is an emphasis on agility, innovation, building rapport (internally and externally) and being credible through continuing to work effectively for conservation.

The 'Conservation Leadership Programme' will continue to develop DOC's senior leaders. DOC's approach to leadership development is evolving on the basis of experience, and this has identified the need for two additional types of leadership programme, aimed at leaders who are at different points in their careers. Interpersonal and behavioural skills development continues.

The 'Future of Work' project is being undertaken to help prepare DOC for the changing context in which it is operating, looking at workplace and social trends, economic and environmental changes, and the implications of these on conservation and its place in society. The project has two key objectives: firstly, to create a snapshot of current DOC workforce demographics and compare these to New Zealand demographics; secondly, to identify resultant challenges that DOC faces and options to address these.

Decisions will be made on approaches to talent management and succession planning, following completion of the current pilot, and the performance management system will be reassessed.

DOC will continue to use the staff engagement survey run by the Gallup organisation as a measure of culture shift, with the third engagement survey to run in late 2010.

5.3 EQUAL EMPLOYMENT OPPORTUNITIES (EEO)

There are three pieces of work currently underway with a focus on improving the diversity of DOC's workforce and improving equality of opportunity.

The 'Future of Work' project, as outlined in section 5.2, will provide a compelling body of knowledge and analysis on which to base managerial decisions about the recruitment, retention and deployment of staff. One focus is on how to realise the potential of staff from minority cultures and how to engage them in decision-making. Another focus is on identifying the best options for managing the needs of older workers.

¹⁵ See section 2.2.1 for the principles.

Aligned with the 'Future of Work' project is a study of women's experiences of working in DOC. The study aims to get a clear picture of barriers to retention and progression, and to develop options to overcome these.

Work is progressing on building Māori capability in DOC. The aim is to both build the capability of Māori staff, and to build the capability of non-Māori staff to work more effectively with Māori. The pilot Māori cadetship programme currently running will be evaluated to provide the basis for decisions on its future direction.

Work underway in leadership development, talent management, succession planning, and the introduction of a learning management system to enable centralised booking and tracking of training will all help identify and develop staff in the EEO target groups.

DOC will continue to integrate equality and diversity into its planning and processes, and to monitor performance through human resources statistical reporting and the analysis of trends obtained through exit data.

5.4 INFORMATION TECHNOLOGY

The focus is on four specific areas to help build and strengthen capability through information technology:

- Providing enhanced services more efficiently and cost effectively, both within DOC and for use by business and the community. The aim for 2010–2011 is to make three existing paper-based services available online, and to decrease the cost of providing these services by \$150,000 per year.
- Reducing the cost of information technology infrastructure while improving its reliability and robustness. The aim for the period 2010–2013 is to reduce the cost of providing desktop services and associated infrastructure by 15%, and to have disaster recovery infrastructure and plans in place and tested.
- Enhancing operations through the use of quality geospatial data. The aim for 2010–2011 is to collect field data electronically at source then transmit to a centralised data warehouse for checking and publishing, and to have a minimum of five fundamental datasets that can be accessed by other government agencies and the public via the New Zealand Geospatial Office's Geo-Portal.
- Developing technical capability and skills (particularly in data warehousing, business analytics, geospatial information and data visualisation) to support conservation outcomes. The aim for 2010–2011 is to work with other natural resource agencies to determine geospatial capability needs, and to develop and implement a sector-wide plan to fill skill gaps.

DOC is actively working with agencies in the natural resources sector and the New Zealand Geospatial Office to identify opportunities for sharing information, infrastructure and/or services. Examples include implementing DOC's Knowledge Services centre as a Centre of Excellence, and developing a shared property/land asset management system that can be used by other agencies on an all-of-government basis.

5.5 EFFICIENCY THROUGH SUSTAINABILITY

The overall aim is to identify and implement initiatives that reduce the costs of conservation management by reducing resource use. In so doing, the initiatives can also improve service delivery, reduce adverse environmental impacts of resource use by DOC, and improve health and safety for staff.

The primary focus is on reducing the use of electricity and other energy sources. Energy initiatives underway are:

- Replacing current vehicles with diesel, lower fuel use and safer models, and optimising the size of the fleet.
- Implementing energy efficiency and renewable energy capital projects on islands and other off-grid sites.
- Installing renewable energy generation at serviced huts and in serviced campgrounds to improve energy efficiency in water heating and lighting and to reduce helicopter use at serviced huts.
- Investing in technology to save on travel costs, including improved video-conferencing, web-conferencing and tele-conferencing facilities.
- Continuing energy audits of DOC buildings and implementing measures to reduce energy use in these buildings.
- Running a 'behavioural change' communications programme to encourage staff to reduce electricity and fuel use through turning off appliances when not in use.

Other initiatives include:

- Ensuring that sustainability principles are applied when procuring material and services.
- Minimising waste to landfill through resource reduction, re-use and recycling.
- Improving water efficiency through greater collection and re-use of rainwater and adopting water-saving technologies.
- Strengthening partnerships with other government agencies and businesses to deliver sustainable business outcomes.
- Ensuring that DOC's facilities and equipment are consistent with the '100% pure, clean and green' brand.

Measuring the changes

The baseline for overall energy use in DOC was established in 2006–2007. The goal is to achieve a 15% reduction on this baseline by the end of 2011–2012.

For the period to 30 June 2009, DOC had achieved the following:

- 4.6% reduction in kWh of electricity used.
- 12.4% reduction in km of air travel.
- 12% reduction in petrol usage.

There have been some increases in energy usage in some areas. Diesel usage has increased as DOC moves from petrol to cheaper and more energy efficient diesel vehicles. The table below indicates progress across each of the main energy reduction programmes.

TABLE 7. ENERGY EFFICIENCY INDICATORS MONITORED BY THE DEPARTMENT OF CONSERVATION.

ENERGY SOURCE	METRIC	2005-2006	2006-2007	2007-2008	2008-2009
Staff numbers (includes temporary staff as at 30 June)	FTE	2 000	2 116	2 003	2 082
Electricity	kWh	6 794 028	4 453 920	4 357 873	4 054 480
Domestic air	km	6 048 011	5 176 920	4 635 705	4 012 923
International (long haul >3700 km)*	km	1 964 054	1 788 730	1 700 374	1 538 153
International (short haul <3700 km)*	km			200 516	545 556
Diesel vehicles, boat and plant	L	1 068 610	1 049 267	1 296 235	1 472 656
Petrol vehicles, boats and plant	L	509 404	567 270	562 539	500 214
Rental cars [†]	km	322 964	439 249		
Jet A1 Helicopter [‡]	L	694 230	621 290	821 583	645 883
Aviation gas/fixed wing [‡]	L			39 003	46 840
Taxi	km	106 221	145 373	85 989	85 992
Coal	kg	0	18 530	18 000	16 765
Fuel oil (heating)	L	0	51 315	27 328	15 403
LPG (bottled)	kg	0	2 849	4 167	3 635

* International short-haul and long-haul flights have been separated out since 2007-2008.

† Rental cars were integrated into the petrol and diesel dataset from 2007-2008.

‡ Jet A1 and aviation gas/fixed wing have been separated out since 2007-2008.

6. Departmental capital and asset management intentions

6.1 ASSET MANAGEMENT CAPABILITY

This section outlines the work DOC is doing to strengthen its asset management.

In March 2009, the National Asset Management Steering (NAMS) Group facilitated a departmental workshop on asset management. The purpose of the workshop was to assess DOC's current asset management capability, and the capability desired, according to the Capital Asset Management (CAM) criteria—core, moderate or advanced.

The CAM principals set high standards for asset management and as such DOC has an opportunity to progress its asset management capability for asset classes currently assessed as 'core'. While improvements can be made, an overall level of 'moderate' is considered an appropriate level of asset management for the majority of assets held.

DOC has agreed a pragmatic approach with The Treasury for improved asset management practice, with an initial focus on the 'Visitor Assets' class over a 5-year period. Once the benefits of enhanced asset management are proven, the focus can move to other asset classes.

6.2 PERFORMANCE OF PHYSICAL ASSETS

CAM has four predefined, non-financial performance measures: availability, utilisation, functionality and condition. A high-level assessment of these measures was made in 2009–2010 in relation to DOC's two most critical assets—the 'Public Conservation Estate' (Asset Group: Land) and 'Visitor Assets' (Asset Group: Specified Cultural and Heritage).

The condition and functionality of visitor assets are considered to be 'moderate' but are predicted to decline to 'poor' over the next 5 years. Overall, availability and utilisation of these assets are considered to be currently 'well placed' and 'good', but will be constrained in future as the assets will not meet the needs of the population in the medium term.

The 'destination management framework' work currently underway will address identified asset performance issues by optimising capital investment within existing baselines (see section 2.1.1 and section 3.3).

'Public Conservation Estate' assets have been classified on the basis of their relative value for delivering biodiversity. All but the most threatened categories of land are judged to be available for their intended purpose and moderately well utilised for providing a range of ecosystem services.

The condition and functionality of 'Public Conservation Estate' assets have been assessed as moderate for most land categories, with the exception of acutely

threatened, chronically threatened and critically under-protected categories, which are in very poor or poor condition, with serious or poor functionality.

The standard indicators for the intermediate outcomes provide further measures for the performance of physical assets. The most relevant are the indicators for intermediate outcome 1, which relate to the ‘Public Conservation Estate’ asset group (see section 3.1), and the indicators for intermediate outcome 3, which relate to the ‘Visitor Assets’ group (see section 3.3).

6.3 CAPITAL EXPENDITURE INTENTIONS

The forecast period represented in Tables 8–10 is for the years 2010–2011 through to 2012–2013 (Crown and departmental assets combined). The data are from DOC’s October 2009 annual capital intentions report to The Treasury as part of the CAM initiative.

TABLE 8. FORECAST CAPITAL EXPENDITURE.

	FORECAST (\$m)		
	2010–11	2011–12	2012–13
Computer hardware	0.2	0.0	0.3
Computer software	5.1	2.0	2.0
Infrastructure assets	2.0	2.0	0.5
Land	1.0	1.0	1.5
Motor vehicles	3.9	3.9	3.9
Non-residential buildings	3.1	1.0	1.0
Plant & equipment	2.4	2.9	12.4
Residential buildings	0.4	0.1	0.2
Specified cultural & heritage	30.1	32.1	32.6
Vessels	0.5	0.5	0.5
Total capital intentions	48.7	45.5	54.9

TABLE 9. FORECAST DEPRECIATION EXPENDITURE.

FORECAST (\$m)		
2010–11	2011–12	2012–13
25.9	26.4	27.0

TABLE 10. FORECAST ASSET-RELATED OPERATING EXPENDITURE.

FORECAST (\$m)		
2010–11	2011–12	2012–13
140.2	140.1	140.1

